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Don't backslide

Tobacco barns no place for settlement money

If Gov. Ernie Fletcher's appointees can't come up with better ideas for agricultural diversification than building new tobacco barns, the money should be moved to public health.

Let Philip Morris and the burley growers cooperative finance on-farm infrastructure needed for the brave new world of post-price supported, contract tobacco growing.

And, no, you're not reading an old editorial page from last year when this issue seemed to be settled in favor of no tobacco-settlement money going into tobacco production.

The controversy has quietly reignited. The Agricultural Development Board, most of whose members are the governor's appointees, should quickly snuff it by attaching strings to the millions of settlement dollars funneled through the state's agriculture finance corporation.

No settlement money should go into building tobacco barns. The board should also be very cautious about putting settlement dollars into low-cost state loans to vertical integrators looking to set up contract hog or poultry operations in Kentucky.

The settlement money should go into building a new class of farm entrepreneurs, a group that now has little or no access to capital.

The settlement money should go into expanding markets for small-farm products. Large corporate interests can fend for themselves.

But an analysis by the Community Farm Alliance shows that the Agriculture Finance Corp., which receives almost all its funding from the tobacco settlement, has loans out of \$500,000-plus for tobacco barns and more than \$500,000 for large hog and poultry operations.

Twenty-two of 49 infrastructure loans have gone for tobacco barns, according to the Governor's Office for Agricultural Policy.

A quick history: The tobacco industry in 1999 agreed to pay the states billions of dollars to avoid being sued for the cost of treating sick smokers. The legislature committed half of Kentucky's settlement money to agriculture, specifically to help tobacco-dependent communities make the transition to non-lethal crops.

Just 2 percent of the settlement went into statewide efforts to combat tobacco use, even though smoking is Public Health Enemy No. 1, the prime source of Kentucky's soaring disease and disability rates and medical costs.

Despite the health crisis caused by smoking, state spending on tobacco control has declined by almost \$1 million since 2003, as cigarette sales and tobacco settlement payments decreased.

This year's budget includes just \$2.2 million in state funding for tobacco control, a shamefully weak effort, as our physician-governor must know.

Few have begrudged agriculture the lion's share of the settlement, because Kentucky can never overcome its physical addiction as long it's economically addicted to tobacco. That rationale falls apart when settlement money goes to tobacco.

If Fletcher really wants Kentucky to get healthy, he'll insist on more responsible priorities for tobacco settlement spending.